

MAY-06-1998 15:40

AMERICAN HAPPENINGS

714 454 0634 P.02

To: WRS Motion Picture & Video Laboratory
1000 Napor Boulevard
Pittsburgh, Pennsylvania 15205

Re: John Herklotz /Plaza Entertainment
2322 "A" Via Puerta
Laguna Hills, CA 92653
Attn: John Herklotz

To induce you to sell merchandise and/or extend credit to Debtor and in consideration thereof, Plaza Entertainment and all of its related divisions and subsidiaries hereby, for good and valuable consideration of the receipt of which is hereby unconditionally guarantees the complete and prompt payment, when due, of any indebtedness which may at the present time or at any time hereafter and from time to time be owing to you by Debtor. If Debtor shall make an assignment for the benefit of creditors, or if there shall be filed by or against Debtor, in any court, a petition in bankruptcy or insolvency or for reorganization or for the appointment of a receiver or trustee of all or a portion of Debtor's property, then for the purpose of this guaranty all indebtedness then owing to you will forthwith be due and payable. This guaranty is direct and unconditional, and may be enforced without first resort to any other right, remedy or security which you have. The undersigned waives notice of acceptance hereof, all prior notice of default and demand for payment.

You shall have the unrestricted right to renew, extend, modify and/or compromise any indebtedness, and to accept, substitute, surrender or otherwise deal with any collateral security or other guaranties, without notice to the undersigned and without affecting the obligation of the undersigned hereunder.

This guaranty shall continue at all times and shall remain in full force and effect until such time as you shall receive from the undersigned, by registered mail, written notice of revocation. Such notice of revocation shall not be effective as to any indebtedness existing at the time you shall receive the notice or as to any transaction or commitment previously undertaken by you in reliance upon this guaranty.

Any indebtedness of Debtor now or hereafter owed to the undersigned is hereby subordinated to pay the indebtedness now or hereafter owing to you. The undersigned agrees to pay a reasonable attorney's fee and all other costs and expenses which you may incur in the enforcement of this guaranty. This guaranty and every part thereof shall inure to the benefit of the successors and assigns of WRS Motion Picture & Video Laboratory.

This guaranty cannot be altered, amended or terminated orally, but only by agreement in writing.

This guaranty shall be construed under the laws of the State of Pennsylvania.

Witnessed by:

Cara L Harris

John Herklotz
John Herklotz

Address of Witness

1904 E. Wilson #5
Orange, CA 92667

STATE OF California

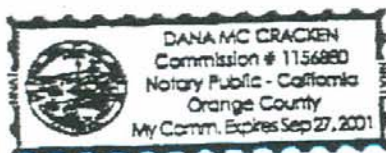
ISS:

PLEASE SIGN ON THE LINE AND PRINT YOUR NAME
BELOW THE LINE

COUNTY OF Orange

On the 6th day of May, 1998, before me personally came John Herklotz
to me known, and known to me to be the individual described in, and who executed the foregoing instrument, and he acknowledged to me that he executed the same.

Dana McCracken
Notary Public
Dana McCracken, Notary Public



TOTAL P.02